

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### St Joseph Packaging Inc

Missouri Enterprise

#### St. Joseph Packaging Develops Five-Year Vision

##### Client Profile:

St. Joseph Packaging was founded in 1905 in St. Joseph, Missouri as a producer of folding paper boxes and corrugated shipping cases. The independently owned company is currently operated by the fourth generation of the family. St. Joseph Packaging is housed in a modern, fully equipped 110,000 square-foot plant and is now recognized as the most widely diversified paper and paperboard product converting company in the United States. Customers include such industry leaders as Disney, Dillards, The Nature Company, Hallmark Cards, Gymboree, Stetson Hats, Gucci, Warner Bros., plus hundreds of other successful marketers of consumer and industrial products. The company has 135 employees.

##### Situation:

St. Joseph Packaging needed to develop a five-year plan to focus the company's marketing and sales efforts. It wanted a plan that would focus on the entire business to help increase focus on common goals; establish a common consensus on the definition of success; make more efficient use of the company's assets; improve budgeting and staffing process to be driven by goals; improve teamwork and morale; and improve communication.

Attempts to develop a plan in the past had not succeeded, as the demands of the day-to-day activities seemed to take precedence over long-range planning. Some of those efforts, such as the completion of a SWOT analysis, needed to be revisited. The company had also set a goal of exceeding \$20 million in sales, and though it had come close, it had not succeeded. St. Joseph Packaging called in the expert help of Missouri Enterprise, a NIST MEP network affiliate, to help it develop a five-year plan.

##### Solution:

Missouri Enterprise's strategic plan program for St. Joseph Packaging consisted of four phases. Within these phases, multiple activities occurred simultaneously.

Preplanning and preparation focused the company on the planning process and helped to create buy-in by emphasizing the advantages to planning. In addition, key supplemental information was identified. At this point, Missouri Enterprise defined the planning process; established membership, roles and responsibilities for the process; clarified expectations for process outputs and outcomes; and provided the necessary resources to ensure its success. Future State Design concentrated on establishing the planning bedrock of

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values, vision, and mission and on setting the grand strategy. This phase encompassed 40-50 percent of the planning effort. Resolving these "big" issues at the start gave a solid basis for smooth planning and for dealing with strategic issues as they arose during implementation. During this phase, the company aligned its vision and mission.

Current State Assessment assessed the company's current ability to reach its desired future in light of its competitive landscape, identified the critical issues it faces, set objectives to address those issues, and outlined action plans to realize those objectives. Accurately assessing the environment, both internal and external, was a primary key to the success of this project.

Tactical planning focused on the specifics of implementation and explicitly connected people and budgets with the action plans. This phase was virtually synonymous with the annual planning and budgeting cycle. This phase was one of the most challenging, as it was difficult to take the information from the prior phases and formulate a strategy for managing the company to reach the identified goals.

At the end of the project, St. Joseph Packaging had a vision for the future, had established team goals, and had developed action plans for proceeding down a common path over the next five years. The company anticipates an increase in sales and plans to invest more money and personnel in the business.

### **Results:**

Established a five-year strategic plan.

Anticipating a sales increase of \$2.5 million per year.

Planning to invest \$3 million over the next five years.

Retained 135 jobs.

Plan to create 20 new jobs.

### **Testimonial:**

"Having a closely held family business, it is easy to make decisions on the run, which we have done many times in the past. [Missouri Enterprise] showed us the value of long range planning, and we are already reaping the benefits of better communication and common goals."

Charles D. Hamilton, Jr., President